

Uniform Relocation Act (URA)
Standard Operating Procedure (SOP)
September 1, 2011

Information reported on the URA SOP was obtained from the following HUD website:
www.hud.gov/offices/cpd/affordablehousing/training/web/relocation

A brief overview is being provided on the principals of the Uniform Relocation and Real Property Acquisition Policies Act (URA). Utilize the resources provided to obtain information in planning your projects or programs. The City of Evansville, through the Department of Metropolitan Development (DMD) has established within the parameters of the URA regulations and guidelines, policies that are acceptable for agency and departmental use.

Departmental Policies

The Department of Metropolitan Development discourages the involvement in projects that require the incorporation of Relocation. When avoidance is not applicable, the federal URA guidelines are reviewed by the Community Development Staff with the sub-recipients, where the federal requirements are implemented into the project or activity through the Contract. The U.S. Department of Housing and Urban Development (HUD) encourages the adoption of an Antidisplacement and Relocation Assistance Plan. *Attached is an example of a Guideform Residential Antidisplacement and Relocation Assistance Plan.*

The Uniform Relocation Act is identified in the sub-recipient's or developer's contract with DMD, referencing the compliance with federal regulations. The assigned Community Development Specialist provides oversight to the agency or developer. Staff encourages the agency/developer to create a timeline identifying the necessary steps to maintain project compliance with URA. In addition a current list of tenants, individual monthly rents, utility payments and household incomes must be obtained by the agency/developer to avoid overlooking the displacement of tenants moving as the result of property acquisition. *A copy of the Guideform Notice of Nondisplacement to Residential Tenant is attached as an example letter for occupant/tenant notification.*

The sub-recipients or developers must notify the owner-occupants or tenant-occupants prior to the purchase of the project building or change of ownership of the real property. A notice of non-displacement is mailed certified mail or hand-delivered to each occupant or tenant providing a signature that notification had been served.

Purpose for Uniform Relocation and Real Property Acquisition Policies Act:

The Uniform Relocation and Real Property Acquisition Policies Act was passed by Congress in 1970, is a federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real estate or displace persons from their homes, businesses, or farms. The URA protections and assistance apply to acquisition, rehabilitation, or demolition of real estate for federally funded projects.

Resources: Uniform Relocation Act

- **49 CFR Part 24** is the government-wide regulation that implements the URA
- **Section 104(d) of the Housing and Community Development Act** provides minimum requirements for federally funded programs or projects when units that are part of a community's low-income housing supply are demolished or converted to a use other than low-or moderate dwellings
- **HUD Handbook 1378** provides HUD policy and guidance on implementing the URA and 49 CFR Part 24 for HUD funded programs and projects.
- **CPD Monitoring Handbook (6509.2 REV5) Chapter 25 – relocation and Real Property Acquisition**

URA REQUIREMENTS APPLY TO HUD PROVIDED GRANTS, LOANS, OR CONTRIBUTIONS, INCLUDING HOME, CDBG, NEIGHBORHOOD STABILIZATION PROGRAM AND SECTION 108 LOAN GUARANTEES. EXCEPTION INCLUDE: THE AMERICAN DREAM DOWNPAYMENT INITIATIVE (ADDI). PLEASE CONTACT THE HUD REGIONAL RELOCATION SPECIALIST FOR ASSISTANCE WITH QUESTIONS PERTAINING TO URA REQUIREMENTS.

URA Objectives

- Provide uniform, fair and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects
- Ensure relocation assistance is provided to displaced persons to lessen the emotional and financial impact of displacement
- Ensure that no individual or family is displaced unless decent, safe, and sanitary housing is available within the displaced person's financial means
- Improve the housing conditions of displaced persons living in substandard housing
- Encourage and expedite acquisition by agreement and without coercion

URA requirements that impact federally funded projects

- Agencies conducting a program or project under the URA must carry out their legal responsibilities to affected property owners and displaced persons. Agencies should plan accordingly to ensure that adequate time, funding and staffing are available to carry out their responsibilities.
- Section 205 of the URA requires that "programs or projects undertaken by a federal agency or with federal financial assistance shall be planned in a manner that:
 - Recognize and plan early any actions which will cause displacement
 - Provide resolutions to minimize adverse impacts on displaced persons and expedite program completion

Tasks to complete when acquiring real property with federal funds:

- REVIEW LAWS, REGULATIONS AND PROCESS A FLOW CHART OR TIMELINE
- DETERMINE WHAT PROPERTIES WILL BE ACQUIRED
- DETERMINE OWNERSHIP OF PROPERTIES TO BE ACQUIRED
- ESTABLISH A FILE FOR EACH PROPERTY TO BE ACQUIRED

- NOTIFY OWNER OF INTEREST IN ACQUIRING THE REAL PROPERTY, SEND OUT URA NOTIFICATIONS
- OBTAIN APPRAISALS FOR EACH PROPERTY
- ESTABLISH AND OFFER JUST COMPENSATION –USE A WRITTEN BASIS FOR JUST COMPENSATION AND OBTAIN A RETURN RECEIPT
- COMPLETE ACQUISITION, CONDEMNATE PROPERTY OR DECIDE NOT TO ACQUIRE
- SPECIAL PROCEDURE FOR DONATION

Acquisition responsibilities include:

For Real Property Acquisition

- Appraise property before negotiations
- Invite the property owner to accompany the appraiser during the property inspection
- Provide the owner with a written offer of just compensation and a summary of what is being acquired
- Pay for property before possession

For Residential Displacement

- Provide relocation advisory services to displaced tenants and owner occupants
- Provide a minimum 90 -days written notice to vacate prior to requiring possession
- Reimburse for moving expenses
- Provide payments for the added cost of renting or purchasing comparable replacement housing

For Non-residential displacement (businesses, farms, and nonprofit organizations)

- Provide relocation advisory services
- Provide a minimum 90-days written notice to vacate prior to requiring possession
- Reimburse for moving and reestablishment expenses

URA Acquisition Requirements: Agencies may acquire needed real property from owners by voluntary or involuntary means. Under URA an acquisition is considered to be involuntary when an agency acquires property under threat of eminent domain. **Eminent domain** is the power of government to take private property for public purposes with payment of just compensation.

Involuntary Acquisition: Acquisition under threat of eminent domain

- Basic Acquisition Policies apply
- Appraisal & Appraisal review
- Payment of incidental expenses
- Displaced owner-occupants **are eligible** for relocation assistance and payments
- Displace tenant-occupants **are eligible** for relocation assistance and payments

Voluntary Acquisition

Agencies with Power of Eminent Domain

- No specific site needs to be acquired
- Not part of project where all property to be acquired
- Inform owner in writing will not acquire if agreement not reached
- Inform owner in writing of property's market value

Agencies without Power of Eminent Domain

- Prior to offer, inform owner unable to acquire if agreement not reached
- Inform owner in writing of property's market value
- Displaced owner-occupants **not** eligible for relocation assistance and payments
- Displace tenant-occupants **eligible** for relocation assistance and payments

Issues to consider when planning for acquisition and relocation

- Minimize displacement: required by HUD
- Budgetary Implications: ensure sufficient funds are available to comply with all requirements
- Coordination of the Project: Coordinate activities and facilitate cooperation among government agencies, neighborhood groups, and persons affected by the project
- Determining Resource Needs: Review applicable relocation policies, staffing needs and training or other capacity building needs to anticipate any issues that may hinder the acquisition and relocation process
- Administrative Requirements: Grantees must adhere to HUD requirements involved in planning for acquisition and relocation projects.

Neighborhood Stabilization Program (NSP) Alternative Requirements of URA

- Acquisition of property at a discount from Fair Market Value
- Appraisal of property required
- One-for-One Replacement
 - Action Plan goals and reporting
 - Number of expected units to be demolished or converted
 - Number of affordable units to be made available
 - Number of persons at or below 50% AMI

GUIDEFORM RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

This Residential Antidisplacement and Relocation Assistance Plan (RARAP) is prepared by [name of jurisdiction] in accordance with the Housing and Community Development Act of 1974, as amended; and HUD regulations at 24 CFR 42.325 and is applicable to our CDBG¹, UDAG and/or HOME-assisted projects.

Minimize Displacement

Consistent with the goals and objectives of activities assisted under the Act, [jurisdiction] will take the following steps to minimize the direct and indirect displacement of persons from their homes: *(The steps provided below are examples only, each jurisdiction must determine the actions it will take based on local needs and priorities.)*

- ☐ Coordinate code enforcement with rehabilitation and housing assistance programs.
- ☐ Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.
- ☐ Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
- ☐ Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.
- ☐ Adopt policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.
- ☐ Adopt policies which provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
- ☐ Adopt tax assessment policies, such as deferred tax payment plans, to reduce impact of increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas.
- ☐ Establish counseling centers to provide homeowners and tenants with information on assistance available to help them remain in their neighborhood in the face of revitalization pressures.

¹ CDBG programs include: Entitlement Community Development Block Grant (CDBG) Program, State CDBG Program, CDBG Small Cities Program, Section 108 Loan Guarantee Program, CDBG Special Purpose Grants Program, and the Neighborhood Stabilization Program (NSP).

- ❑ Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.
- ❑ If feasible, demolish or convert only dwelling units that are not occupied or vacant occupiable dwelling units (especially those units which are “lower-income dwelling units” (as defined in 24 CFR 42.305).
- ❑ Target only those properties deemed essential to the need or success of the project.

Relocation Assistance to Displaced Persons

[Jurisdiction] will provide relocation assistance for lower-income tenants who, in connection with an activity assisted under the [CDBG and/or HOME] Program[s], move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350. A displaced person who is not a lower-income tenant, will be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24.

One-for-One Replacement of Lower-Income Dwelling Units

The [jurisdiction] will replace all occupied and vacant occupiable lower-income dwelling units demolished or converted to a use other than lower-income housing in connection with a project assisted with funds provided under the [CDBG and/or HOME] Program[s] in accordance with 24 CFR 42.375.

Before entering into a contract committing [jurisdiction] to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, [jurisdiction] will make public by [describe how, such as publication in a newspaper of general circulation] and submit to HUD [the State, under the State CDBG and/or HOME Program(s)] the following information in writing:

1. A description of the proposed assisted project;
2. The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of an assisted project;
3. A time schedule for the commencement and completion of the demolition or conversion;

4. To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided. *NOTE: See also 24 CFR 42.375(d).*
5. The source of funding and a time schedule for the provision of the replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specific location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, [jurisdiction] will identify the general location of such dwelling units on a map and complete the disclosure and submission requirements as soon as the specific data is available.

Replacement not Required Based on Unit Availability

Under 24 CFR 42.375(d), the [jurisdiction] may submit a request to HUD (or to the State, if funded by the State) for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the area.

Contacts

The [name and phone number of the office] is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period.

The [name and phone number of the office] is responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use.

GUIDEFORM NOTICE OF NONDISPLACEMENT
TO RESIDENTIAL TENANT

Grantee or Agency Letterhead

(date)

Dear _____:

On _____ (date), the _____ (City, County, State, Public Housing Authority (PHA), other), notified you of proposed plans to rehabilitate the property you currently occupy at _____ (address) for a project which could receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the _____ program. On _____ (date), the project was approved and will receive federal funding. Repairs will begin soon.

- **This is a notice of nondisplacement.** You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions. *
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Of course, you must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact _____ (name) at _____ (phone), _____ (address). This letter is important to you and should be retained.

Sincerely,

(name and title)

NOTES.

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3 I of Handbook 1378.)
 2. This is a guideform. It should be revised to reflect the circumstances.
- * *Based on the applicable HUD program regulations, if "reasonable terms and conditions," are defined, one of the following statements or other language may also be required in this Notice:*
- a. *Under HOME at 24 CFR 92.353(c)(2)(C)(1): "Your new lease will be for a term of not less than one year at a monthly rent will remain the same or, if increased, your new monthly rent and estimated average utility costs will not exceed: 1) if you are low income, the total tenant payment as defined by HUD (under 24 CFR 5.628), or (2) 30% of the monthly gross household income, if you are not low income."*
 - b. *Under CDBG at 24 CFR 570.606(b)(2)(D)(1): "Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the household's average monthly gross income."*
 - c. *Under Section 221 Mortgage Insurance Programs at 24 CFR 221.795(i): "Your monthly rent and estimated average utility costs will not exceed the amount approved by HUD."*